

## RECORD OF PROCEEDINGS

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MINUTES OF A SPECIAL MEETING OF  
THE BOARD OF DIRECTORS OF THE  
FOREST VIEW ACRES WATER DISTRICT  
AND THE BOARD OF DIRECTORS OF THE  
WATER ACTIVITY ENTERPRISE  
HELD  
JANUARY 9, 2007

A special meeting of the Board of Directors of the Forest View Acres Water District and the Board of Directors of the Water Activity Enterprise (referred to hereafter as "Board") was held on Tuesday, the 9th day of January, 2007, at 5:30 P.M. at the Tri Lakes Fire Department, Station No. 1, 18650 Highway 105, Monument, Colorado. The meeting was open to the public.

### ATTENDANCE

Directors In Attendance Were:

Barbara Reed-Polatty, Chairman  
Eckehart Zimmermann  
Kajetan Nowacki  
Richard Crocker

Also In Attendance Were:

Lisa Johnson and Ann Finn; Special District Management Services, Inc.

Mike Bacon; Community Solutions, Inc.

Chris Monsen and Anne Bevis; director candidates

See attached list for others in attendance

### ADMINISTRATIVE MATTERS

Agenda: Ms. Johnson distributed for the Board's review and approval a proposed Agenda for the District's special meeting. Following discussion, upon motion duly made by Director Crocker, seconded by Director Zimmermann and, upon vote, unanimously carried, the Agenda was approved, as amended.

Minutes: The Board reviewed the minutes of the November 30, 2006 regular meeting. Following discussion, upon motion duly made by Director Nowacki, seconded by Director Crocker and, upon vote, unanimously carried, the Board approved the minutes of the November 30, 2006 regular meeting.

## RECORD OF PROCEEDINGS

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Appointment of Director: The Board interviewed Ms. Bevis and Mr. Monsen, the candidates for the vacant position.

Ms. Bevis discussed defining the tasks for board members, she noted that the District should have its own method of communication. She also feels that one Board member should be a liaison with the community. She would encourage pursuit of creative financing and revenue options, including using excess water rights via sale or lease of shares to neighboring communities.

Mr. Monsen informed the Board that he is an engineer with experience in information technologies. He has worked for small companies and grew up in a small community. He has experience with contract review and management.

The Board informed both candidates about the required time commitment and the need to be familiar with Title 32 C.R.S.

Following discussion, upon motion duly made by Director Crocker, seconded by Zimmermann and, upon vote, unanimously carried, the Board appointed Chris Monsen to fill the vacant position. The Oath of Office will be administered and filed within 30 days.

Boundary Map: Director Crocker has obtained a current map of the District's boundaries. He has provided a copy to staff and it will be filed as required.

Special District Management Services, Inc.: The Board considered approval of the contract for management services for the District pursuant to an agreement with Special District Management Services, Inc.

Director Crocker commented that he has reviewed the duties stated in the agreement and feels that SDMS is providing all of the services noted.

Following discussion, upon motion duly made by Director Zimmermann, seconded by Director Crocker and, upon vote, unanimously carried, the Board authorized execution of the Agreement with Special District Management Services, Inc., as revised.

## RECORD OF PROCEEDINGS

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Public comments on agenda items: Mr. Weaver commented on his concerns regarding selling or leasing District water rights.

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### FINANCIAL MATTERS

Claims: The Board considered ratifying the approval of the payment of claims for the period ending December 28, 2006, totaling \$69,780.38.

Following discussion, upon motion duly made by Director Crocker, seconded by Director Zimmermann and, upon vote, unanimously carried, the Board ratified the approval of the payment of claims for the period ending December 28, 2006, totaling \$69,780.38.

Financial Statements: The Board reviewed the unaudited financial statements of the District setting forth the cash deposits, investments, budget analysis, and accounts payable vouchers for the period ending November 30, 2006. Following review, upon motion duly made by Director Zimmermann, seconded by Director Nowacki and, upon vote, unanimously carried, the unaudited financial statements were accepted as presented.

2005 Audit: The Board reviewed the draft audit. Following discussion, upon motion duly made by Director Crocker, seconded by Director Nowacki and, upon vote, unanimously carried, the Board approved the 2005 audit.

2006 Audit: The Board reviewed the proposals from Dawn A. Schilling, LLC to prepare the audit for an amount not to exceed \$4,200 and from Wagner, Burke & Barnes, LLP to prepare the audit for an amount not to exceed \$5,450.

Following discussion, upon motion duly made by Director Zimmermann, seconded by Director Nowacki and, upon vote, unanimously carried, the Board approved the engagement of Dawn A. Schilling, LLC to prepare the 2006 audit for an amount not to exceed \$4,200.

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### BILLING MATTERS

Address Audit: Ms. Johnson reported that the verification process is continuing.

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## RECORD OF PROCEEDINGS

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### LEGAL MATTERS

Termination of Schmidt Inclusion: Discussion was deferred.

Petrock & Fendel, P.C. settlement: The final settlement payment has been made and Attorney Rufien has received the records. Attorney Rufien will review the records and advise the Board regarding the completeness.

Higgins inclusion: There was no report.

Amendment 41: Ms. Johnson reported that the SDA has taken the position that amendment to the Colorado constitution regarding ethics for public officials, and related matters does not apply to special districts.

Rules and Regulations: It was noted that the form inclusion agreement is part of the Rules and Regulation. Attorney Rufien has advised that the form needs to be revised as part of the overall revisions to the Rules and Regulations.

Resolution amending the Rules and Regulations to establish fee structure for 2007: Director Crocker presented the philosophy and process the Board took to assess the 2007 fees.

Following discussion, upon motion duly made by Director Crocker, seconded by Director Zimmermann and, upon vote, unanimously carried, the Board adopted the Resolution amending the Rules and Regulations to establish the fee structure for 2007, subject to the revisions discussed. A copy of the Resolution is attached hereto and incorporated herein by this reference.

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### OPERATIONS REPORT

Water Operator report: Mr. Bacon reviewed the December Operation's Report and the Production Report through November 2006.

Mr. Bacon distributed and reviewed his report on four major water breaks that occurred in December.

Red Rocks Reserve development: There was no report.

Raw Water Cross Connection: Ms. Johnson distributed a memo from ASCG and discussed the cross connection

## RECORD OF PROCEEDINGS

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issues. ASCG has recommended corrections, Mr. Bacon will report the issue to the CDPHE and will ask for a meeting. Director Monsen will work with Mr. Bacon and the CDPHE to review the situation and define how to control the cross connection.

Dawson Well testing: AmWest is testing the well now and expects the testing will be completed on January 15<sup>th</sup>.

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### OTHER BUSINESS

2007 goals: Director Crocker would like the Board to set specific goals for 2007. A work session will be scheduled for February or March.

Public comments: There were no public comments.

Resignation of Director: The resignation of Director Nowacki was accepted.

Following discussion, upon motion duly made by Director Reed-Polatty, seconded by Director Zimmermann and, upon vote, unanimously carried, the Board approved the Resolution of Appreciation. The Board presented Mr. Nowacki with a plaque.

Appointment of Director: Upon motion duly made by Director Zimmermann, seconded by Director Crocker, and upon vote, unanimously carried, Anne Bevis was appointed to fill the vacancy created by the resignation of Ketch Nowacki. The Oath of Office will be administered and filed within 30 days.

Small Claims Action-Stiltner: Ms. Johnson presented a confidential memo outlining the options described by Attorney Rufien to address the matter. The Board deferred discussion to the next meeting.

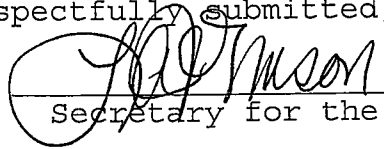
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### ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by director Zimmermann, seconded by Director Reed-Polatty and, upon vote, unanimously carried the meeting was adjourned.

Respectfully submitted,

By

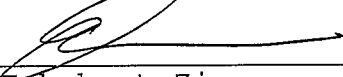
  
Secretary for the Meeting

## RECORD OF PROCEEDINGS

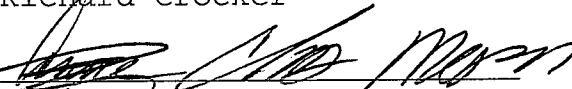
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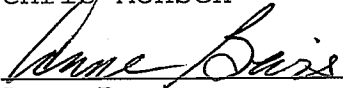
THESE MINUTES APPROVED AS THE OFFICIAL JANUARY 9, 2007  
MINUTES OF THE FOREST VIEW ACRES WATER DISTRICT BY THE  
BOARD OF DIRECTORS SIGNING BELOW:

  
Barbara Reed-Polatty

  
Eckehart Zimmermann

  
Richard Crocker

  
Chris Monsen

  
Anne Beyis

Please **print** your name, address and phone number and the issue(s) you are interested in addressing at this meeting.

NAME	ADDRESS	TELEPHONE/EMAIL	ISSUE(S) TO BE ADDRESSED
Nicole Debar			None
Anne Belis			—
RAY RICHARDSON	17180 Oxbridge Rd	4814824	Info Only
Ann Finn			"
Chris Morson	18225 Forest View monument	488-1804	
John E Anderson	17065 Oxbridge Rd	4878125	— JEASPTSPSY@AOL.COM
Bill Waa	2930 Lake Meadows Dr	719 481 4745	WM925@comcast.net
Gayle Humm	17060 Oxbridge Rd	481-2824	Gayle humm@comcast.net
Chris Tirpak	2455 Lake Meadows Dr	488-9850	chris@tirpak.com please add to email list

**A RESOLUTION OF  
THE BOARD OF DIRECTORS OF  
FOREST VIEW ACRES WATER DISTRICT**

A Resolution to communicate sincere thanks and appreciation to Kajetan "Ketch" Nowacki for time and expertise contributed to the Forest View Acres community.

WHEREAS, the Forest View Acres Water District (the "District") was duly organized under authorization of Colorado State Statute to provide for the planning, financing, construction, maintenance and operation of public infrastructure necessary to serve the needs of the community; and

WHEREAS, the Board of Directors of the District was duly elected to oversee and supervise the many and complex details associated with the operation and administration of the District; and

WHEREAS, the accomplishments undertaken were satisfied in a manner and style which resulted in a community sensitive to environmental concerns and the financial requirements necessary for a successful community, and contributed to an enhanced quality of life for many persons of present and future generations; and

WHEREAS, Kajetan "Ketch" Nowacki served as Board Member and Assistant Secretary of the Forest View Acres Water District as an effective leader and with utmost distinction.

NOW, THEREFORE, BE IT RESOLVED THAT the leadership and expertise provided by Kajetan "Ketch" Nowacki be acknowledged and that this Resolution communicate the sincere gratitude and appreciation of residents of the community and of the Board of Directors of the District.

ADOPTED this 28th day of December, 2006.

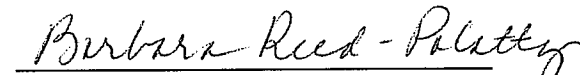
FOREST VIEW ACRES WATER DISTRICT

ATTEST:

By: \_\_\_\_\_

  
John Johnson, Secretary

By: \_\_\_\_\_

  
Barbara Reed-Polatty, President

